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Technical cooperation among developing countries

Technical cooperation among developing countries

Report of the Administrator

Summary

In responding to Executive Board decision 99/11, the present report contains an assessment of the results of the activities supported by the Special Unit for TCDC under the cooperation framework. In the light of lessons learned, an improved agenda is proposed to enhance TCDC in UNDP and throughout the United Nations system.

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I. Introduction

1. In its decision 99/11, the Executive Board requested the Administrator to prepare a report that would enable the Board to consider increasing resources for technical cooperation among developing countries (TCDC) activities as called for by the General Assembly in paragraph 43 of its resolution 53/192 of 15 December 1998.

2. In adopting the Buenos Aires Plan of Action in 1978, the General Assembly assigned to UNDP a special role in promoting TCDC, anchoring its multilateral governing system, developing new concepts and approaches for mobilizing TCDC, and advancing the utilization of southern capacities in development-cooperation activities.

3. Recognizing the changing global context since the adoption of the Plan of Action, the General Assembly has, in recent years, re-emphasized TCDC as a viable complementary mechanism for securing some of the potential benefits of globalization. The report on new directions for technical cooperation among developing countries, endorsed by the General Assembly in its resolution 50/119 of 20 December 1995, enjoined the Special Unit for TCDC (SU/TCDC) to focus on such common strategic issues as trade and investment, macroeconomic policy coordination and environment. It also called for building the critical capacities of developing countries through broad-based partnerships, networking and support for policy dialogue.

4. In its decision 95/23, the Executive Board earmarked 0.5 per cent of UNDP total regular resources as special resources for TCDC activities (line 1.5). The first cooperation framework for TCDC (1997-1999) was approved by the Board at its second regular session 1997; at its second regular session 2000, the Board took note of the extension of the framework to December 2000.

5. The present report assesses the results of the activities supported by the Special Unit for TCDC under the TCDC cooperation framework. In the light of lessons learned, an improved agenda to enhance TCDC in UNDP and throughout the United Nations system is proposed.

II. Performance and results of the TCDC cooperation framework

6. Drawing largely on the new directions strategy, the TCDC cooperation framework was designed to promote TCDC actively and to support sustainable human development (SHD). Support for SHD through TCDC was envisaged to cover issues relating to poverty eradication; environment; production and employment; and trade, investment and macroeconomic management. Considering this broad spectrum against limited resources, rigorous efforts were made to concentrate on initiatives that would have a major impact on a large number of developing countries and yield results. Accordingly, the TCDC programme was sharply focused on initiatives that (a) enhance the strategic capacities of developing countries to address the emerging policy and institutional challenges of globalization and multilateral negotiations; (b) strengthen knowledge-networking around priority development and cooperation issues in the South; and (c) build broad-based partnerships and leverage additional resources towards pressing SHD concerns.

7. Total core resources amounting to $12.5 million for the period 1997-2000 have been allocated to three main activity clusters in the following percentages: building strategic policy and institutional capacities — 43 per cent; nurturing TCDC knowledge-networking — 27 per cent; and forging broad-based partnerships for SHD — 30 per cent.

8. Correspondingly, non-core resources mobilized for 1997-2000 amounting to nearly $17.0 million have also been allocated as follows: building strategic policy and institutional capacities — 43 per cent, and broad-based partnerships for SHD — 57 per cent.

Building strategic policy and institutional capacities

9. Initiatives supported under this cluster focused mainly on strengthening the strategic and coordinating capacities of developing countries in relation to the policy and institutional challenges of effective participation in the emerging rules-based global governance. The major highlights follow.

10. In response to requests from the Group of 77 to support the efforts of developing countries to adopt a coordinated approach to major global issues, the TCDC

programme facilitated a number of South-South dialogue initiatives, focusing on the priorities identified by the developing countries themselves. These include South-South trade, investment and finance; regional and subregional economic integration; capacities and needs of the small island developing states (SIDS); South-South cooperation in science and technology and climate change. These UNDP/G-77 joint initiatives have, in many ways, helped the developing countries to reach common understanding on these issues and to position themselves better in multilateral processes such as the World Trade Organization (WTO) Ministerial Meeting in Seattle (1999) and the Tenth United Nations Conference on Trade and Development (UNCTAD X) in Bangkok (2000). It is significant that in all these initiatives, the participating developing countries provided considerable financial and in-kind contributions. Some developed country partners, e.g., Japan and the Republic of Korea, also provided significant financial support to one or more of these initiatives. The UNDP role was primarily to provide specific technical and substantive inputs into these processes.

11. In partnership with the South Centre, the TCDC programme supported developing country negotiators both in their capitals and at Geneva, with strategies and tools to negotiate more effectively in WTO processes. One product of this partnership is a joint publication with the South Centre of a monograph, *The WTO Multilateral Trade Agenda and the South*, for which there has been great demand from developing countries. It is noteworthy that this initiative generated great interest among northern institutions. For instance, in the United Kingdom, Oxfam collaborated with the initiative to organize a seminar on WTO institutional reform and the Rockefeller Foundation funded related work on intellectual property. Focus on the Global South, a Bangkok-based NGO, was also associated with the initiative on agricultural issues.

12. With support from TCDC, the Third World Network (TWN) provided, for a broad constituency of both state and non-state actors in the South, sensitization and analytical materials on trade and trade-related issues and on the impact of globalization on the South. During the past three years, TWN has provided to developing countries over 50 analytical research reports and briefing papers on such critical issues as trade agreements; globalization and human rights; technology transfer, intellectual property rights and biodiversity; and critical development issues facing least developed countries (LDCs). A number of issue-specific seminars were organized for Geneva-based Southern diplomats on such issues as the WTO dispute settlement mechanism and economic crisis, social consequences and people's response. The seminar on economic crisis and its social consequences, held in 1999 in the Philippines, and the G-77/NGO consultative meeting, held at Geneva in 1999, prior to the WTO Seattle Ministerial Conference, provided the G-77 country representatives and the international NGO community with the opportunity to exchange views on WTO-related issues and prepare themselves for the Seattle Conference. These services were highly appreciated by policy-makers from both South and North.

Nurturing TCDC knowledge-networking

13. Activities supported by SU/TCDC under this category were geared to help to project, within the development agenda, issues of particular concern to the South. Special efforts were made to strengthen intra-South development networking, taking advantage of the new information and communication technology (ICT).

14. SU/TCDC is using the new ICT and a transformed TCDC Information Referral Services (INRES) database to build a dynamic, interactive global system known as the *Web of Information for Development* (WIDE). The WIDE initiative focuses on developing-country institutional and individual expertise and uses ICTs to strengthen knowledge networks for technical cooperation among developing countries. Launched in February 2000, the WIDE initiative uses an array of Internet services to give more visibility to developing-country expertise, foster South-South knowledge networking and promote TCDC. WIDE *Online*, an on-line user-maintained database developed and maintained in collaboration with partners in Brazil, provides visibility and access to experts, institutions and best practices from the South. WIDE *Online* currently references more than 43,000 experts, 10,000 institutions and 400,000 publications. Over 130 innovative case studies assembled for TCDC are also featured online and in print. It also provides links to 20 other databases in Africa, Asia and Eastern Europe with additional information on experts, publications, institutions and best practices.

15. Through its *InterLink feature*, SU/TCDC is collaborating with networks and institutions to use the WIDE approach for raising the profile of developing country expertise and knowledge and to strengthen decentralized South-South knowledge-networking. For instance, SU/TCDC is supporting the African Academy of Sciences to strengthen knowledge-networking across its membership of 1600 African scientists and engineers and affiliated institutions. Thirty-four national TCDC focal points (mostly in LDCs) have also been supported in developing national TCDC web sites as part of the WIDE system. Discussion forums, launched in cooperation with and hosted by Bellanet (Ottawa, Canada), are designed to facilitate on-line collaboration and networking in support of the higher profile and knowledge-networking objectives of the WIDE initiative. Since March 2000, over 200 discussion group members, many representing their organizations, have been actively engaged on-line in discussing a wide range of South-South cooperation issues and exchanging information on new Southern-based initiatives and programmes. Also, in cooperation with Comcast Inc. (Republic of Korea), the WIDE Internet Broadcasting News Service delivers daily headline news relating to development and to South-South cooperation. The intent is for the WIDE Initiative to serve both the decentralized needs of South-South knowledge networking and act as a collaborative resource in support of UNDP efforts. The selection of WIDE as one of the finalists in the Stockholm Challenge Award, offered by the City of Stockholm in partnership with the European Commission, may be seen as a recognition of its unique contribution towards bridging the digital divide between rich and poor countries.

16. Another important initiative has been the Small Island Developing States Network (SIDSNET), to promote and facilitate inter-island information on sustainable development research and experience. SIDSNET is a joint SU/TCDC-Sustainable Development Networking Programme (SDNP) project developed in collaboration with the Alliance of Small Island States (AOSIS) in response to the SIDS Programme of Action adopted in Barbados in 1994. The SIDSNET web site provides cutting-edge networking tools for virtual discussions, chat conferences, focused searching, document submission and storage and mailing lists. The web site receives over 220,000 hits per month from over 95 countries. SIDSNET works closely with organizations concerned with climate change issues and has links with key national bodies. Activities have also been undertaken to build national capacities in small island developing countries in information technology.

17. In addition to championing information technology-based knowledge-networking, SU/TCDC has also supported more traditional networks of development practitioners in several domains. For instance, collaborative efforts with the Regional Bureau for Latin America and the Caribbean, the World Bank's EDI and the Inter-American Foundation, resulted in the collection of four hundred profiles of best practices in poverty reduction in the region. One hundred case studies involving civil society and the public and private sectors from Argentina, Brazil, Bolivia, Columbia, El Salvador, Guatemala, Jamaica and Venezuela were produced on the subject. A book entitled *Working Together for Change: Government, Business and Civil Partnership for Poverty Reduction in LAC* was published and a network of over 50 academic and research organizations was established. There was also a series of seven books published entitled, *Alianza para la Reducción de la Probreza: Experiencias Exitosas en America Latina y el Caribe*, featuring best practices selected from the participating countries. Several additional exchanges of experiences between participating and other interested countries have also been reported. A web page has been created on the Internet (*http://www.alianzas.org*), providing information on the cases and lessons that have been learned.

18. Also, in partnership with the Government of Ghana, the Carnegie Foundation and the Regional Bureau for Africa, the TCDC programme facilitated the formation of the Prevention of Maternal Mortality Network, aimed at transferring best practices and methodologies to minimize the incidence of maternal death in countries from West to East Africa. The success is now being extended to francophone countries and southern African countries. Similarly, in partnership with the Canadian International Development Agency (CIDA), other bilateral agencies and the ECONEWS Network, SU/TCDC catalysed the launching of a community-based resource centre and radio station in East African communities that improved information flows on environmental issues to nomadic and rural populations, integrating them into the economic and social development of their

communities and improving their capacities to make informed decisions on their environment.

19. *Cooperation South*, a signature TCDC product for almost 20 years, has been transformed into a major policy journal highlighting issues of common concern to the South and reflecting Southern perspectives on key development issues. Internationally acclaimed writers and statesmen have contributed to the journal over the past two years at the same time as the journal has increased its circulation among influential institutions and attracted the attention of world leaders.

Building broad-based TCDC partnerships for sustainable human development

20. In the past two years, the TCDC programme has further advanced the concepts of "pivotal country", "triangular cooperation" and centres of excellence to build more robust and dynamic TCDC partnerships around a small number of SHD areas and mobilize technical, institutional and financial resources for joint implementation and sustainability. A few examples are cited below.

21. A major TCDC innovation, based on the tested TCDC instrument of capacity and needs matching, is the *Business-to-Business Forum*, aimed at striking concrete South-South business deals. With the growing emphasis on and demand for an increased role by the private sector in development, SU/TCDC pioneered the first Africa-Asia Business Forum in 1999, as a follow-up to the Tokyo International Conference on African Development (TICAD) initiative. In collaboration with the Government of Malaysia, the Malaysian South-South Corporation (MASCORP), the Multilateral Investment Guarantee Agency of the World Bank, the United Nations Conference on Trade and Development (UNCTAD), the International Trade Centre (ITC) and the United Nations Industrial Development Organization (UNIDO), and financed primarily by the Government of Japan, the Africa-Asia Business Forum (AABF) brought together approximately 230 business enterprises from 25 African countries and 6 Asian countries, from 25 to 29 October 1999 in Kuala Lumpur to explore new trade and investment opportunities. Twenty-seven memoranda of understanding were signed on the spot, resulting, so far, in $20 million in confirmed deals. More deals and transactions are expected to be made as negotiations among the participating companies continue. Preparing for the Forum was an intensive process, starting with capacity-building workshops to prepare participants in such key business areas as negotiating strategic partnerships, preparing business plans and entering foreign markets. Following this was the rigorous analysis of cross-regional trade opportunities, setting eligibility criteria, auditing of shortlisted companies, the comparative review of legal and regulatory frameworks, and preparation of investor profiles. The most crucial step was securing commitments and eliciting pre-forum matches between participating companies to increase the chances of actually concluding deals at the forum. The approach has already generated enormous interest in both regions and a second such forum is planned for mid-2001 in Africa. Important as the actual transactions are, these strictly business-like processes and TCDC-specific methodologies developed by SU/TCDC can offer valuable lessons for others in supporting similar initiatives.

22. One of the most successful "triangular" cooperation efforts relates to food security. The Africa-Asia Joint Rice Research initiative is led by the West Africa Rice Development Association (WARDA), with funding primarily from the Government of Japan and technical support from research institutions in China, France, Japan, United States, three Consultative Group on International Agricultural Research (CGIAR) centres and 17 member institutions of the West Africa National Agricultural Research System. The initiative has already developed over 20 family lines of new African rice varieties that could increase yield by 50 to 200 per cent. Already, more than 5,000 farmers in 17 West African countries have participated in the use of these new varieties. According to WARDA, even with a modest 10 to 15 per cent increase of grain yield, the new varieties could increase annual rice production in West Africa by 250-750 thousand tons, reducing imports by 10 to 25 per cent for a value of $62 million to $187 million, and increasing farmers' income by 25 per cent.

23. In partnership with the Government of Singapore, as a pivotal country, the programme was able to support a focused TCDC programme for the Caribbean small island states in the areas of information technology, urban development and environmental management, where more than 50 per cent of the cost was paid for by the Government of Singapore and about 20 per cent by the participating Caribbean countries. Also, the North-East Asia Transit Transport

initiative catalysed by the programme in collaboration with UNCTAD, China, the Russian Federation and Mongolia is perhaps one of the most tangible results of TCDC partnership. It has led to an agreement between China and Mongolia to reduce rail transport tariff by 50 per cent starting in June 2000.

Client-led, innovation-driven programming — the TCDC experience

24. Doing better with less has been the major strategic principle of SU/TCDC in the past few years, challenging the Unit to be creative in its approach to programming. One significant innovation is the flagship approach. A flagship initiative is not judged by its size in terms of complexity and resource inputs. It is judged by its leadership effect in educing a clear mission, thematic focus, a strong interregional orientation and Southern stakeholder ownership. Developing a flagship initiative involves four basic stages. At the programme initiation stage, the emphasis is on listening to clients and jointly analysing and agreeing to the TCDC scope and the possibilities of interregional linkage. The second stage is rigorous consultation to secure agreement, match specific needs with capacities and cement partnerships. In the third stage, activities are launched under specific Southern institutional leaderships, nurturing the density of institutional collaboration and reinforcing specific institutional capacities. In the fourth stage, the emphasis is on rigorously assessing programme processes, documenting results and lessons and demonstrating replicability. In the final stage, the hope is that other partners will embrace the approach and adapt it into their mainstream programmes. A particularly significant element of this process is that it allows a diverse range of Southern stakeholders to set their priorities, choose their own partners, match capacities and needs among themselves, and share implementation responsibilities. Figure 1 summarizes the logic of this process.

25. The flagship approach and other innovative TCDC programming and mobilization instruments have been developed over the last three years based on two decades of practical experience and guidance from a wide range of TCDC stakeholders. This strategy has rendered TCDC capacity-building more purposeful, the notion of ownership more meaningful, and partnerships more fruitful. They combine to constitute a whole new model of TCDC mobilization and operation.

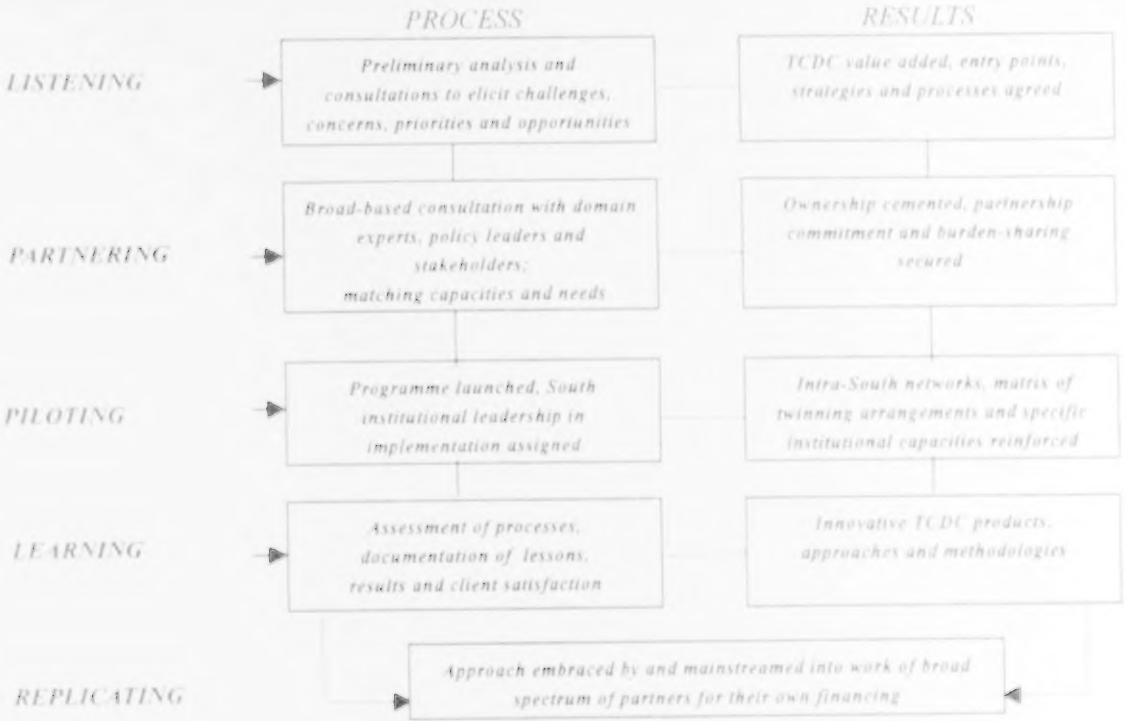
26. The true value of this new model can be appreciated from the significant increase in donor interest and participation in the TCDC flagship initiatives. The TCDC programme was able to leverage a total amount of nearly $17.0 million in non-core resources for the period 1997-2000, mainly from the Governments of Japan, Republic of Korea (for the flagship initiative in science and technology), Ireland and from the Ford Foundation (for the flagship initiative on social policy to manage the risks of globalization). The Government of China also pledged recently to contribute $150,000 to support the flagship initiatives. These resources enabled the TCDC programme to support a number of large-scale TCDC initiatives that would not have been possible under core funding alone.

27. The success of the new system can also be judged from the considerable amount of collateral financing and in-kind contributions provided by a wide range of state and non-state partners to the TCDC flagship initiatives. For example, WIDE has attracted support from both public and private sector stakeholders in the South and the North. In Brazil, the Ministry of Science and Technology, the Council for Scientific and Technological Development and the Recife Centre for Advanced Studies and Systems contributed approximately $200,000 to develop the system and $60,000 per year for the three-year period 2000-2002 towards the operation of the system. COMCAST Ltd. funded the development of the WIDE News Service at a cost of about $200,000. Other partners who have contributed their expertise to strengthening the TCDC network include the International Development Research Centre; the Pan Asia Networking Programme in Singapore; Bellanet in Ottawa, Canada; the Third World Network of Scientific Organizations (TWNSO) in Italy; the Third World Network (TWN) in Malaysia; the Caribbean Centre for Development Administration (CARICAD); and the Food and Agricultural Organization of the United Nations (FAO).

III. Enhancing South-South technical cooperation

28. The rapid advance of globalization and liberalization has changed the world significantly since the adoption of the Buenos Aires Plan of Action in 1978. A rules-based multilateral system is now firmly in place with the establishment of WTO and its dispute

Figure 1
Process map for TCDC flagship initiative


PROCESS
RESULTS
LISTENING
Preliminary analysis and consultations to elicit challenges, concerns, priorities and opportunities
TCDC value added, entry points, strategies and processes agreed
PARTNERING
Broad-based consultation with domain experts, policy leaders and stakeholders; matching capacities and needs
Ownership cemented, partnership commitment and burden-sharing secured
PILOTING
Programme launched, South institutional leadership in implementation assigned
Intra-South networks, matrix of twinning arrangements and specific institutional capacities reinforced
LEARNING
Assessment of processes, documentation of lessons, results and client satisfaction
Innovative TCDC products, approaches and methodologies
REPLICATING
Approach embraced by and mainstreamed into work of broad spectrum of partners for their own financing

settlement mechanism for international trade and trade-related issues and the adoption of several international conventions relating to social development, gender and environmental issues. Coupled with the increased awareness of the need for joint efforts to address issues of global public goods, the world is much more interdependent today than 20 years ago. The worldwide lowering of trade barriers, the integration of capital markets, the decentralization of production processes, and the dramatic advances in information and communications technology combine to yield a radically different context for TCDC.

New logic for TCDC

29. While virtually all developing countries have been adapting their domestic policies in recent years to the new global trade and macroeconomic regime, they still have very little say in the governance mechanisms of the global economy. Their ability, as individual countries, to safeguard their own interests in the multilateral negotiations in such areas as trade, finance and investment remains limited. Similarly, although globalization has provided new opportunities for those countries with the policy instruments and institutional and technical capacities to participate in increased international trade and investment, many others are being left behind and marginalized. The gaps between rich and poor, both between the North and the South and among the Southern countries are widening. These realities clearly suggest a new logic for more conscious collective actions by the South.

30. Parallel to the changing global political economy, the development paradigm itself has changed considerably. With the current emphasis on human development, the development agenda now incorporates issues such as global governance, peace and security, in addition to growth, education, health, environment and empowerment. The ideological drivers of development have changed from being growth-based to people-driven, as reflected in the

emphasis on poverty eradication and participatory democracy. In addition, issues of aid efficiency and the declining levels of official development assistance (ODA) over the last decade have to a great extent resulted in a convergence of views within the development community on the importance of partnership, ownership and burden-sharing by developing countries in their development. TCDC is a natural conduit for bringing the South into the mainstream of international development.

31. Over the past 50 years, many developing countries have developed substantial knowledge and acquired capacity and experience in designing national socio-economic and environmental policies and strategies, and in setting up appropriate legal, political and regulatory frameworks and institutions. Many of them have developed new technologies and new competencies in renewable energy, genetic engineering and biotechnology, electronics and semiconductors, and information and communication technology. TCDC can help to unlock the vast untapped reservoir of Southern knowledge and capacities as important sources of policy advice and capacity-building for other developing countries.

A new TCDC model

32. The changes in the global political economy over the last two decades indicate a new TCDC model in which:

(a) The *motive* of TCDC derives from the need for developing countries to formulate a strategic response to the imperatives of globalization and their need to be effective in negotiating, complying and competing in the new rules-based multilateral system;

(b) The *focus* of TCDC is not so much sectoral and project-driven as upstream and strategic;

(c) The *content* of TCDC is no longer just the episodic South-South movement of technical experts and equipment, but more the mutual sharing of whole systems for the design and implementation of policies and strategies;

(d) The *process* of TCDC is more one of mutually articulating the South's shared challenges, identifying capacity needs and strengths, laying the foundations and creating common platforms to address those shared concerns, and pooling institutional, technical, intellectual and financial resources to resolve them; and

(e) The *TCDC community* consists not just of the governments of the South, but also the private sector and civil society organizations.

Enhancing TCDC in UNDP

33. In his report to the 1999 General Assembly on the State of South-South Cooperation (A/54/425), the Secretary-General reiterated that "orienting the operational activities for development increasingly towards the support of South-South cooperation constitutes an important element of the strategy of the United Nations development system." Accordingly, TCDC is likely to become more explicitly integrated operationally in the regular programmes and activities of the United Nations system.

34. The use of TCDC has already been increasing in UNDP. About 50 per cent of country programmes now identify TCDC either in the country cooperation frameworks or in specific projects. Regional and subregional programmes have also become much more TCDC/economic cooperation among developing countries (ECDC) oriented. Other UNDP programmes and funds such as the United Nations Development Fund for Women (UNIFEM) and the United Nations Volunteers (UNV) have also been giving much greater emphasis to South-South exchanges of expertise and experiences. In the context of the Administrator's Business Plans, South-South cooperation is being assigned a primary role. The principle that UNDP must learn to leverage its resources requires effective collaboration with a broad range of partners. The organization is highly committed to sourcing expertise and good practices from the South. TCDC will be infused into all UNDP work in designing strategic policy advice, promoting knowledge networks and supporting countries to respond to globalization.

35. UNDP will now draw more on the experiences and capacities existing in developing countries for upstream policy work and institutional capacity-building activities in selected priority areas. Institutional and policy competencies will be mobilized from the South in advancing the UNDP policy focus on pro-poor governance systems; economic and social policies; environmentally sustainable development policies and strategies; as well as science and technology policies, with particular emphasis on

information technology. Systematic intra-South exchanges in these areas should enhance the capacities of developing countries to participate more effectively in a globalizing world. Conscious efforts will be made to pool resources to help to create self-sustaining South-South coalitions of expertise around a number of issues of common concern such as global governance, information technology for development, biodiversity and HIV/AIDS.

36. Operationally, UNDP will integrate the use of TCDC in the conceptualization, formulation and implementation of the United Nations Development Assistance Frameworks, country cooperation frameworks, regional and global cooperation frameworks, as well as in the strategic results frameworks. Senior managers at all levels will be held accountable for performance and for reporting on results through the result-oriented annual report. Detailed guidelines on the operational issues will be prepared by SU/TCDC in collaboration with the Operations Support Group, the Bureau for Development Policy (BDP), the Regional Bureaux and other relevant units.

IV. Future orientation of the new TCDC programme

37. As part of the UNDP decentralization strategy, SU/TCDC will redeploy two TCDC advisers to the field. They will work closely with the network of 50 BDP policy specialists outposted in the regions. The idea is to strengthen the field-based, action-oriented TCDC community. This community will consist of TCDC-oriented networks, interested Southern experts, knowledge institutions and centres of excellence; selected inter-governmental, non-governmental, civil society and private-sector organizations; developing country government focal points, interested donor agencies, foundations and institutions; and TCDC focal points within UNDP as well as the United Nations system. In this way, the global support for multilateral TCDC can be significantly enhanced.

38. Within this community, SU/TCDC will remain the anchor of multilateral South-South cooperation. Its expertise and experience in brokering broad-based partnerships will be sharply focused on developing strategies and piloting initiatives with innovative, catalytic and, especially, replicative value; on nurturing institutional TCDC champions; and on leveraging resources from a wide range of partners to achieve visible results. Figure 2 broadly shows the morphology of this community.

39. To make the optimal use of its modest resources, the new programme will concentrate on areas where the expressed need for building policy and institutional capacities by developing countries is greatest; where their commitment to working together to achieve their agreed objectives is strongest; where the probability of involvement and support by donor and other non-state partners is highest; and where SU/TCDC can deliver at its best.

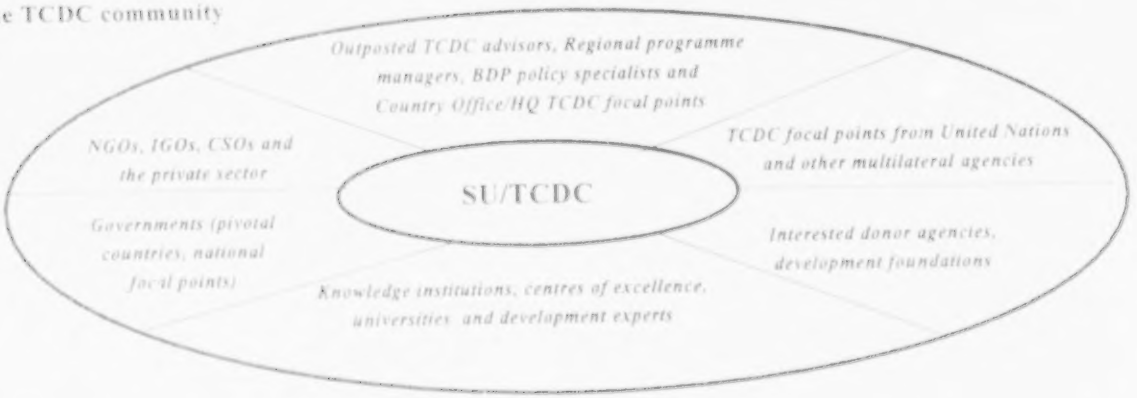
40. In the face of globalization, there is clearly some urgency in developing countries working together in clusters or as a whole to strengthen their negotiating effectiveness in global governance processes. Moreover, in adapting to the requirements of the emerging global economic regime, developing countries have much to learn from one another on how to secure flexibility and the protection of national human development interests.

41. *Programme focus.* In supporting developing country efforts to become more effective participants in the emerging global economy and in international development cooperation, the TCDC programme will be geared to priority issues in the areas of trade and investment and macro-economic management; social integration and transformation; science and technology for development; private sector development with a particular emphasis on small-and-medium enterprises; and environmental management. The programme will be designed to bring countries together to design solutions and mobilize resources to respond to their common challenges in these areas.

42. *Implementation strategies.* While the overall strategy remains innovation-driven, results-based and service-oriented, a set of sub-strategies will be developed around the SU/TCDC key functions, such as TCDC advocacy, policy dialogue, interregional networking, partnership-building and resource mobilization.

43. A new TCDC cooperation framework will be submitted for consideration by the Executive Board in early 2001. While demand for TCDC will increase, the current financial situation of UNDP suggests that only a modest increase above the current 0.5 per cent allocation from regular resources is feasible.

Figure 2
The TCDC community


Outposted TCDC advisors, Regional programme managers, BDP policy specialists and Country Office/HQ TCDC focal points
TCDC focal points from United Nations and other multilateral agencies
Interested donor agencies, development foundations
Knowledge institutions, centres of excellence, universities and development experts
Governments (pivotal countries, national focal points)
NGOs, IGOs, CSOs and the private sector
SU/TCDC

V. Recommendations for Executive Board action

44. The Executive Board may wish to:

1. *Note* the progress made in implementing the first cooperation framework for technical cooperation among developing countries.

2. *Recognize* the contributions made to the South-South Trust Fund by some donor countries and non-state partners and encourage all countries to make an effort to increase support to technical cooperation among developing countries.

3. *Welcome* the Administrator's efforts to enhance technical cooperation among developing countries within UNDP and recognize the unique role of the Special Unit for TCDC in these efforts.

4. *Increase* the allocation for technical cooperation among developing countries above the current 0.5 per cent of core resources during the next programming period (2001-2003).